

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Transportation and Economic Development Appropriations Committee

---

BILL: CS/SB 1638

INTRODUCER: Transportation and Economic Development Appropriations Committee and Senator Fasano

SUBJECT: Federal Grants Trust Fund within the Department of State

DATE: March 3, 2010

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Belcher	Noble	TA	Fav/CS
2.				
3.				
4.				
5.				
6.				

**Please see Section VIII. for Additional Information:**

- |                              |  |   |
|------------------------------|--|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="checked" type="checkbox"/> | Statement of Substantial Changes        |
| B. AMENDMENTS.....           | <input type="checkbox"/>                   | Technical amendments were recommended   |
|                              | <input type="checkbox"/>                   | Amendments were recommended             |
|                              | <input type="checkbox"/>                   | Significant amendments were recommended |

**I. Summary:**

The bill creates the Federal Grants Trust Fund within the Department of State. The Federal Grants Trust Fund is established as a depository for allowable grant activities funded by restricted program revenues from federal sources. Funds shall be expended only pursuant to legislative appropriation or an approved amendment to the department's operating budget pursuant to the provisions of chapter 216, Florida Statutes.

The bill has an effective date of July 1, 2010. The trust fund is scheduled to terminate on July 1, 2014.

**II. Present Situation:**

Article III, Section 19(f) of the Florida Constitution requires the termination of all state trust funds within 4 years of their initial creation, unless exempt by the Constitution or operation of law. The Legislature has placed agency funds on a staggered review cycle to facilitate the review process associated with trust fund termination, modification, or recreation. Included in the review of the department's existing trust funds is the creation of additional trust funds pursuant

to s. 215.32, F.S. The section requires agencies, to the extent possible, to use the following trust funds for their day-to-day operations:

Operating Trust Fund  
Operations and Maintenance Trust Fund  
Administrative Trust Fund  
Grants and Donations Trust Fund  
Agency Working Capital Trust Fund  
Clearing Funds Trust Fund  
Federal Grant Trust Fund

Currently, the department uses the Operating Trust Fund, the Grants and Donations Trust Fund, the Library Services Trust Fund, and the Fine Arts Trust Fund as depositories for all grants and funding from the federal government.

### **III. Effect of Proposed Changes:**

This bill creates the Federal Grants Trust Fund within the Department of State effective July 1, 2010. The fund is established as a depository for allowable grant activities funded by restricted program revenues from federal sources. Funds shall be expended only pursuant to legislative appropriation or an approved amendment to the department's operating budget pursuant to the provisions of chapter 216, Florida Statutes. The trust fund is scheduled to terminate on July 1, 2014.

### **IV. Constitutional Issues:**

#### **A. Municipality/County Mandates Restrictions:**

None.

#### **B. Public Records/Open Meetings Issues:**

None.

#### **C. Trust Funds Restrictions:**

Article III, section 19(f)(1), of the Florida Constitution, provides no trust fund of the state or other public body may be created without three-fifths vote of the membership of each house of the Legislature in a separate bill for that purpose only.

### **V. Fiscal Impact Statement:**

#### **A. Tax/Fee Issues:**

None.

#### **B. Private Sector Impact:**

None.

C. Government Sector Impact:

None.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Additional Information:**

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by the Transportation and Economic Development Appropriations Committee on March 3, 2010:**

The CS differs from the bill as filed in the following way:

- Provides that the act shall not take effect unless it is enacted by a three-fifths vote of the membership of each house of the Legislature.

B. Amendments:

None.